

A U S T I N C I T Y C O U N C I L

# A G E N D A

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Thursday, August 10, 2006

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**Regular Item**  
**RECOMMENDATION FOR COUNCIL ACTION**

**ITEM No. 4**

**Subject:** Authorize the negotiation and execution of a loan to AUSTIN NEIGHBORHOOD ALLIANCE FOR HABITAT, INC., Austin, Texas, an affiliate of AUSTIN HABITAT FOR HUMANITY, INC., under the Acquisition and Development Program in an amount not to exceed \$60,000 for construction of one new single-family home in the Frontier at Montana Subdivision to be sold to a low- to moderate-income buyer.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2005-2006 budget Housing Assistance Fund (HAF).

**Additional Backup Material**

(click to open)

No Attachments Available

**For More Information:** Paul Hilgers, Executive Director, Austin Housing Finance Corporat

This action authorizes the negotiation and execution of a loan to Austin Neighborhood Alliance for Habitat, Inc., (ANAH) an affiliate of Austin Habitat for Humanity, Inc. (AHFH), its operational partner, in an amount not to exceed \$60,000. The loan proceeds will be used for the construction of one new single-family home in the Frontier at Montana Subdivision. The home will be sold to a family successfully completing AHFH's homeownership preparation program. The buyer's total household income will not exceed 80% of Austin's Median Family Income (currently \$56,900 for a family of four).

The home to be built is one of 10 homes planned for AHFH's "2006 Builder Blitz," an intensive effort by AHFH, its community sponsors and volunteers to complete ten (10) homes within 45 days. The 2006 Builder Blitz is scheduled to begin Saturday, October 7, 2006 and end on or near November 18, 2006.

In AHFH's Strategic Plan for 2005-2010, AHFH has outlined a commitment to serve 150 families, through building 100 new homes and repairing 50 homes. AHFH's production goal for 2006 is to build 20 new homes.

The Sources and Uses of the Funding are:

Sources: AHFC Funds \$60,000

Uses: Construction \$60,000

The Performance Measure associated with the project is as follows:

1. Construction and conveyance of one new single-family home affordable to a buyer earning no more than 80% of the Austin area MFI.

AHFH has been building affordable homes in Austin since 1985. AHFH is a non-profit 501(c)(3) that develops affordable housing and provides homeownership opportunities for families successfully completing its program. To

construct its homes, AHFH utilizes volunteer labor, paid contractors, community sponsorships, and a significant volunteer commitment by the prospective homebuyer. AHFH also provides a zero-interest rate mortgage to the homebuyers for a term of up to 30 years.

The requested funding is available in Fiscal Year 2005-2006 budget allocation of the Austin Housing Finance Corporation, and the request is consistent with the City of Austin's currently approved Consolidated Plan and the AHFC's strategy to provide assistance through below market rate financing for the development of affordable housing for low- and moderate-income households.